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Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Bermuda

Working paper prepared by the Secretariat

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I. General

1. Bermuda[1] is located in the western part of the Atlantic Ocean about 917 kilometres east of Cape Hatteras on the North Carolina coast of the United States of America.

2. The Territory has a total area of 53.35 square kilometres and consists of 150 islands and islets extending from north-east to south-west along the edge of an extinct, submarine volcano. Many of the islands are connected and rise above sea level to an average height of 30 metres and a maximum elevation of 86 metres. The terrain is generally hilly, with fertile depressions and some marshy areas. The largest island is about 22.5 kilometres long and 3.2 kilometres wide. It covers an area of about 3,650 hectares, consisting mostly of a fertile, shallow valley.

3. According to the latest estimates, the population of Bermuda totalled 61,644 as of 1995. The last official census, taken in 1992, placed the population at 60,075.

II. Constitutional and political developments

A. General

4. Bermuda is administered by the United Kingdom of Great Britain and Northern Ireland. In June 1997, Queen Elizabeth II appointed Mr. Thorold Masefield as Governor of Bermuda. He is responsible for defence, external affairs and internal security.

5. The Constitution of Bermuda, adopted in June 1968 and amended in 1973, 1979 and 1989, contains provisions relating to the protection of fundamental rights and freedoms of the individual; the powers and duties of the Governor; and the composition, powers and procedures of the Legislature, the Executive, the judiciary and the public service.

6. The Government of Bermuda consists of a Governor, a Deputy Governor, a Cabinet and a bicameral Legislature comprising a Senate and a House of Assembly. The Senate consists of 11 members, five appointed by the Governor on the advice of the Premier, three on the advice of the leader of the opposition and three by the Governor at his discretion. The 40-member House of Assembly is directly elected for a maximum term of five years.

7. The Governor who, as noted above, is appointed by the Queen, is responsible for defence, external affairs, internal security and the police. The Governor has delegated some responsibilities in these areas to the territorial Government. In exercising his reserved powers, the Governor is required to consult with the Governor's Council, of which he is Chairman, and of which the Premier and two or three Cabinet ministers nominated by the Premier are members. The Premier, Ms. Pamela Gordon, and her Cabinet, through the Legislature, have full responsibility for the Government, except where restricted by the Governor's reserved powers. The Secretary of the Cabinet, appointed by the Governor in accordance with a recommendation of the Premier, heads the public service and also acts as Secretary to the Governor's Council.

8. As a crown colony, Bermuda has no independent international relations at the political level. It maintains a 700-strong Defence Regiment; the male adult population is subject to military conscription, involving three years' part-time liability for weekly drills and an annual camp.

9. Bermuda's law and legal system are based on the United Kingdom model; the ultimate court of appeal is the Privy Council in the United Kingdom.[2]

B. Political parties and elections

10. There are three political parties in the Territory: the United Bermuda Party (UBP), the National Liberal Party (NLP) and the Progressive Labour Party (PLP). The Premier is chosen from the majority party and heads a cabinet of no more than 14 members of the legislature.

11. In the most recent general election in Bermuda, held on 5 October 1993, UBP won a majority of 22 seats in the territorial Legislature and PLP obtained 18 seats. The UBP has won all elections since the beginning of the party system in 1968. The next election is due by October 1998.[3]

III. Activities related to the withdrawal of military bases

12. Until September 1995, the United States of America maintained a naval air station in Bermuda; its evacuation released an area of land amounting to 10 per cent of the Territory's total area. Information on activities related to the withdrawal of the military bases during 1993 and 1994 is contained in previous working papers on the Territory prepared by the Secretariat (A/AC.109/1189, paras. 31-35, A/AC.109/2020, paras. 10-11). It will be recalled that, in October 1995, Mr. Grant Gibbons, the Minister of Finance, announced the closure of the following military bases and/or installations in the Territory: the United States Naval Air

Station at St. David's, the United States Naval Annex and Tudor Hill facility at Southampton; and the former Canadian Forces Station at St. Daniel's Head. He warned that the withdrawal of those military bases would result in an annual loss by the Territory of approximately US$ 50 million in the foreign currency earnings that had originated from the operation of those bases. The Minister further unveiled a long-term plan for the utilization of the land transferred to the jurisdiction of the territorial Government as a result of those closures. The plan includes the following development projects: a golf course and other tourism-related developments, a commercial fisheries centre, a technology park, an educational and research centre, a public marina and recreation facilities. It is expected that the implementation of the plan could create an additional 3,000 jobs in Bermuda. The Bermuda Land Development Company, a quasi-government agency, will manage and finance the projects (A/AC.109/2041, paras. 8-9).

13. The closure of the United States military bases has left a significant environmental problem which relates to the 272 containers of asbestos that were used in the base buildings and other facilities. The land of the former base also poses a problem of soil and ground water pollution.

14. The environmental situation is unique in many respects. Land is obviously scarce, freshwater resources are very limited, and storage capacity for hazardous waste disposal does not exist. It is one of the most northerly coral reef areas, making the marine environment surrounding the island extremely fragile as well. Asbestos would have to be removed from the buildings that will be demolished. In addition, industrial waste and raw sewage that were disposed of in Bassetts's Cave over time will pose a threat to parts of the island's water system, unless they are removed. Underground and above-ground petroleum storage tanks – many in poor condition – are leaking into surrounding soil and groundwater. Landfills left behind are also causing environmental problems.

15. In this connection, the United States was reported to be considering a study on the need for an environmental clean-up of its former military bases in the Territory to redress the damage which resulted from that presence.[4]

IV. Economic conditions

A. General

16. Bermuda has no natural resources, in the conventional sense, upon which to build a viable economy. It has historically capitalized on its location and scenic beauty and has developed a renowned tourist industry, which continues to be an important component of the territorial economy. The international business industry also makes an important contribution to the economy of Bermuda, bringing in large amounts of foreign currency. Other earnings are derived from shipping, investment income and other goods and services.

17. Manufacturing and agriculture exist on a limited scale and therefore contribute little to the economy of Bermuda. The local manufacturing sector includes printing, fish processing and ship repair, as well as the manufacture of paint. In recent years, there have been attempts to attract high-technology companies to Bermuda in an effort to develop in the Territory a centre for information technology. Agricultural activity is constrained by the small amount of land available for farming.

18. According to the administering Power, during 1996, the rate of inflation was 2.5 per cent, compared with 2.5 per cent in 1995 and 2.3 per cent in 1994. Gross national product (GNP) per head is one of the highest in the world, estimated in fiscal year 1994/95 at $27,500 (at factor cost).[5]

19. Bermuda's official gross domestic product (GDP) statistics do not have a sectoral breakdown, but employment surveys provide a rough guide to the importance of the different economic sectors, allowing for varying labour intensity. These show hotels and restaurants as the largest single employer in 1996, at 17.3 per cent of the total, maintaining their long-term primacy, while community, social and personal services ranked a close second (at 16.1 per cent) and the financial sector a close third (15.3 per cent).[6]

20. As a policy, successive budgets have increased a variety of taxes and fees for government services; a capital gains tax on property sales by non-Bermudians was introduced in 1995. There is no income tax, and customs duties account for about 35 per cent of government revenues; other significant revenue sources are company fees, land and stamp taxes, employment tax, a hospital levy, vehicle licence fees and taxes on hotel occupancy, passenger departures and cigarette sales. On the expenditure side, recent years have seen an increasing stress on improving the competitiveness of the tourism sector and enhancing the skills of Bermudians.

21. Bermuda's heavy dependence on imports, overwhelmingly from the United States, and the currency's peg to the dollar mean that inflation has followed the United States pattern.[7]

B. Public finance

22. The budget for 1997/98 announced an external, high-level review of Bermuda's tax structure. This review began in November 1997 and is expected to be completed in 1998. It is meant to ensure that the tax system keeps pace with the changing economy and is efficiently and equitably balanced. It is the Government s view that it is fundamental to Bermuda's future success that economic and fiscal policies are in place to encourage market forces and maintain business confidence. There will also be a review of customs duties.

23. According to the Minister of Finance of the Territory, the revised revenue outlook for the 1997-1998 fiscal year is projected to exceed the original estimate of US$ 488.4 million by $16 million, for a total of $504.4 million. Overall revenue growth was supported by an increase in customs duties anticipated to show $2.9 million more than estimated, producing $147 million. New shipping registrations would generate an additional $800,000 for a total of 1.6 million; and increased fees received for sales of land to non-Bermudians would yield an additional $6.3 million, for an expected total of $13.3 million. Payroll tax is expected to be up by $3 million, to $136 million.

24. The territorial Government's original forecast of account expenditures for 1997-1998 was $461.7 million. There were some items of unbudgeted expenditure, but savings in others to offset them. As a consequence, the original current account expenditure estimate for the year was expected to be exceeded by 0.1 percent, or $500,000.

25. According to official sources, Bermuda's economic growth measured by GDP has been robust. The economy has grown, on average, 4.2 per cent per year. Bermuda has a low and stable rate of inflation to encourage business investment, and create economic growth and jobs to benefit people on fixed incomes. The consumer price index rose only 2.1 per cent in 1997.

26. The current account of the balance of payments showed a substantial surplus in 1997. Government borrowing remained very modest and the Government's outstanding debt will stand at 7.0 per cent of GDP by the end of the 1997/98 fiscal year.

27. More than 650 new jobs were created in 1997. In percentage terms, job creation exceeded the performance of the group of major industrial countries. In 1996, Bermuda's foreign currency earnings from international businesses grew nearly 20 per cent to US$ 631 million. In 1997, international companies increased to 10,349 by the end of September and the number of persons they employed was 2,667; of these, 1,528 or 57.3 per cent, were Bermudians.

C. Banking

28. Foreign banks are not allowed to operate in Bermuda; therefore, local banks benefit from a quasi-monopoly in handling lucrative international business operations for offshore clients.

29. The Bank of Bermuda, founded in 1889, is ranked as the world's 684th largest bank, and the Bank of Butterfield is ranked 795th. A third bank, Bermuda Commercial Bank, founded in 1969 and the only bank owned by Bermudians of African ancestry, was acquired in 1993 by First Curaçao International Bank based in the Netherlands Antilles. The Central Bank, The Bermuda Monetary Authority, was established by the Bermuda Monetary Act 1969.

30. According to the administering Power, as of September 1996, the assets of the Bermuda banks stood at 13,328 million Bermuda dollars (B$).[8] They included cash and demand deposits, B$ 460 million; time deposits, B$ 5,035 million; investments, B$ 4,916 million, loans and advances, B$ 2,254 million; premises and equipment, B$ 222 million; and other assets, B$ 441 million.

D. International business

31. The contribution made by international business companies to Bermuda's economy continued to be an important factor of the economic welfare of the Territory.

32. Bermuda is one of the world's leading offshore financial and business centres, a leading world captive insurance centre and a favoured venue for specialist companies operating as financial reinsurers covering international companies against the cost of legal awards. The growth of this sector in Bermuda is attributable mainly to increasing rates for international reinsurance in Europe and North America, as well as to the Territory's financial regulations and the absence of a tax on profits, dividends or income.

33. According to the territorial Government, international business needs to be marketed properly and a positive image of Bermuda presented to the world. For 1998/99, through the Office of the Registrar of Companies, a further $250,000 is being allocated in the budget to the marketing of Bermuda's pre-eminent offshore insurance industry. In addition, $550,000 is budgeted for increased support to the Bermuda

International Business Association for their extensive marketing and promotional activities.

34. The Registrar of Companies, who is the chief regulator of the territorial insurance industry, has reiterated in recent statements that the standards and rules of acceptance in the industry must be kept high in order to screen out disreputable companies attempting to domicile in Bermuda. He also said that his department was increasing the level of its staff and improving its technical facilities in order to cope with the growth in the insurance and reinsurance market.

35. Bermuda maintains a substantial shipping register that ranks as the fifth largest in the world, and now outstrips tourism as a foreign-exchange earner and contributor to government revenues.

36. The Bermuda Stock Exchange celebrated 26 years of securities trading in Bermuda during 1997. Bermuda is implementing a strategic plan to turn the Stock Exchange into a modern, fully electronic offshore exchange.

E. Transport and communications

37. Basic information on transport and communications is contained in the 1994 and 1995 working papers on Bermuda prepared by the Secretariat (A/AC.109/1189, paras. 57-59, and A/AC.109/2020, paras. 22 and 23).

38. For international business, Bermuda requires effective and competitively priced communications. The Government is allocating $94,000 to the Department of Telecommunications to engage a consultant to ensure that the demands of a competitive environment are actively addressed following deregulation.

39. The Government is reducing licensing fees for operators of minibuses and other vehicles to assist both locals and tourists to move around the island.

F. Tourism

40. During the period under review, tourism continued to constitute a major sector of the territorial economy and a principal source of foreign exchange.

41. The 1998-1999 budget presented by the Minister of Finance of Bermuda, which envisages support for the new Bermuda Tourist Authority as a public/private sector partnership to address major problems in Bermuda's most important and labour-intensive tourism industry, is reported to be proceeding, with funds allocated to the Bermuda Government's Ministry of Tourism to be used to support it.

42. The number of tourists fell in 1997. Arrivals by air were down by 2.7 per cent, with a 3.5 per cent decline in stay-overs (bed nights). Small hotels, housekeeping cottages and guests houses all experienced a greater loss of business than the large hotels and cottage colonies.

43. Cruise-ship passenger arrivals increased to over 181,000, surpassing the record set in 1996, but not enough to offset the decline in arrivals by air. The overall number of visitors fell by 1.7 per cent.

44. The Government is reported to have supported the work of the Monitor Group on Tourism to research the global and domestic challenges to the industry for a community-wide vision for its future direction. There are plans to develop and implement projects to rebuild tourism. The Government will provide $1 million for this initiative to assist the industry. The Government has carried out a review of cruise-ship policy, looking into the nature of the economic benefits and costs of bringing cruise-ship passengers to Bermuda, and has determined that a major portion of those passengers' spending accrues to the shipping line. In this connection, the Government is to bring into effect a tax payable by the cruise ships in respect of the number of passenger cabins on each ship. The tax will be $8 per cabin for each night that the ship is berthed in Bermuda, and is expected to generate a total of $1.6 million in its first year.

45. The Government of Bermuda is also examining a variety of approaches to encourage investment in new and existing hotel properties, including tax-incentive financing. The introduction in 1991 of the Hotel Refurbishment Act encouraged the renovation of hotels. Duty was lowered to 5 per cent on capital goods utilized in upgrading existing hotel facilities, and later expanded to cover goods used to develop additional rooms for existing hotel facilities. In order to provide further stimulus to encourage investment in both new and existing guest accommodations, it is proposed that the rate of duty be lowered to zero under the Hotel Refurbishment Amendment Act of 1998, for a limited period of three years, on those items currently enjoying the 5 per cent rate.

46. Marriot Castle Hotel is reported to be planning a $65 million project. The Bermuda Land Development company, which is responsible for the oversight of the former military bases, is reported to have accepted a resort proposal for the former United States Naval Annex in Southampton.

47. As part of its strategy to position the tourism industry to meet increasing global competition, the Government is supporting the retail sector's efforts to promote shopping and has introduced a number of amendments to the Customs Tariff Act, effectively reducing duty on selected tourist-related items.[9]

V. Social conditions

A. Race relations

48. It will be recalled that, in his statement of 5 November 1993 (see A/AC.109/1189, para. 75), the Governor announced the creation of a new Ministry of Human Affairs to deal with racial discrimination in the community and to work with all concerned towards its elimination. The Ministry established a plan of action that consisted of measures in the following three areas:

(a) The Commission for Unity and Racial Equality (CURE) Act 1994 was enacted by the Legislature and the Commission established the following year. The Commission is actively involved in working with individuals, employers, unions and institutions to promote better race relations through education and social programmes aimed at changing behaviours and improving attitudes on racial issues;

(b) The powers, scope and function of the Human Rights Commission were increased by amendments to the Human Rights Acts of 1981;

(c) Amendments were made to the Criminal Code to make "racial harassment" and "racial intimidation" criminal offences.

49. In 1995, the Government released a report entitled "Bermuda's Stride towards the Twenty-First Century", containing a sociological analysis of developments in Bermuda. The report highlighted the problems that stem from the continued existence of institutionalized racism and racism in the workplace and recommended that the Government take action to address those issues. CURE is currently addressing the issues identified in the report under the provisions set out in CURE's legislation, which empowers the Commission to publish a draft code of practice containing practical guidance for the elimination of racial and gender discrimination in employment. The Commission, after consultation with concerned organizations and associations in the community, is in the final stages of completing a draft of the code, which was due to reach the Minister in March 1997. The Commission has funded a diversity skills development programme, offered in collaboration with the National Training Laboratory Institute of Washington, D.C., and the Bermuda College. The programme was designed to train facilitators to work with a variety of organizations and institutions on the issue of diversity and how to manage it in the context of Bermuda. A total of 60 people have been trained to date, and the aim is to increase this number to 100. Under the direction of CURE, these facilitators are active in carrying out workshops with institutions to eliminate institutional racial discrimination and remove all barriers to equal opportunity in Bermuda.

B. Labour

50. According to the administering Power, as of 1996, total employment in Bermuda was 34,633. The breakdown of the employment figures by industry was as follows: agriculture, fishing and quarrying, 503; manufacturing, 1,392; utilities, 516; construction, 1,896; wholesale and retail trade, 4,877; hotels, restaurants and clubs, 5,984; transport, storage and communications, 2,205; banks, insurance, real estate and business services, 5,307; public administration and defence, 4,468; education, health, community, personal and household services, 5,581; and international companies, 2,420.

51. The Government is setting a high priority in 1998-1999 on training and retraining of adult workers for better opportunities in the economy, and has supportive programmes for summer jobs for young people.

C. Public health

52. The Ministry of Health and Social Services continues to be responsible for all aspects relating to public health. Medical care is provided by private practitioners and three government health clinics. Fees are charged for hospital care, and medical insurance is compulsory for all workers. A hospital levy covers the cost of services rendered by the hospitals to children under 16 years of age. Indigent persons over 65 years of age pay 20 per cent of hospital costs.

53. The Government wants its health-care system to provide quality care as efficiently as possible. New funding is being allocated in the 1998/99 budget for hospitals and nursing facilities, which includes funding for treatment of HIV/AIDS, testing kits for HIV and other sexually transmitted diseases and vaccines, hospice care, renal

dialysis, child and family care and the foster-care programme.

54. To assist the Bermuda Hospitals Board to maintain high standards of on-island care, the Customs Tariff Act is to be amended by the Government to encourage the purchase of equipment for hospitals from the Board's Endowment and Donations Funds.

D. Drugs

55. According to press reports, Bermudian authorities have stopped close to US$ 4 million worth of illegal drugs from entering the island in the first four months of 1998. This figure is twice the amount seized during the same period in 1997. More than 100 people have been arrested for drug-related offences since December 1997. The Bermudian Police has revised its drug strategy to look at ways to improve enforcement, reduce demand and educate the public. It has also refocused the Narcotics Department to come up with "proactive initiatives" and has set up a Task Force to consider initiatives to combat drug dealers.[10]

56. The territorial Government's war on drugs emphasizes treatment and rehabilitation. The Department of Human Affairs was to receive an additional $550,000 for the National Drug Commission in the 1998-1999 budget, an increase of 46 per cent over the previous year. The Commission is expected to begin phasing in a drugs court and will support a Salvation Army drug rehabilitation programme. The total resources allocated to the National Drug Commission would be $1.75 million.

VI. Educational conditions

57. Education in Bermuda is compulsory for all children from 5 to 16 years of age, and is free for students in the preschool, junior, special and secondary government schools administered by Bermuda's Ministry of Education.

58. The Government was reported to have invested $6.2 million in new facilities for middle schools in 1997. The renovations are part of a two-phase plan, with most of the work expected to be done in the first phase over a five-year period. Middle school education will offer an expanded curriculum and will last for three years, with students moving on to the senior school for a four-year programme.[11]

59. Bermuda has a Public Schools' Code of Conduct embodied in the Education Act 1996 which is applied to all government schools and has its equivalent enforced in private schools.

60. There are no degree-conferring universities, and no business or law schools in Bermuda. The Government awards a number of scholarships each year to young Bermudians accepted at leading universities in the United States, Canada or the United Kingdom. Scholarships are also awarded by local banks, principal law firms, and Bermuda-based international companies, to obtain university degrees or to enter the Civil Service, banking, business, insurance and legal firms in the private sector. Under the Bermuda Government's National Education Guarantee Scheme, begun in 1994, no Bermudian student with university potential is denied an opportunity for further education due to a lack of funds. The Government does not offer scholarships, but provides education loans for university attendance with a generous pay-back period.[12]

VII. Future political status of the Territory

A. Independence referendum

61. It will be recalled that, on 24 March 1995, the territorial House of Assembly adopted the Independence Referendum Act. On 5 April 1995, the bill was approved by the Senate. The referendum was held on 16 August 1995. According to the administering Power, 58.8 per cent of registered voters participated in the referendum, the results of which were as follows: 25.6 per cent voted in favour of independence; 73.7 per cent voted against it and 0.7 per cent abstained. Following the referendum, Sir John Swan, Premier of Bermuda, resigned and was replaced by former Finance Minister Mr. David Saul (see A/AC.109/2020, paras. 31-40 and A/AC.109/2041, paras. 35-37).

B. Position of the territorial Government

62. In September 1995, Mr. David Saul, then Premier of Bermuda, stated that "independence was water under the bridge" and that the "issue would not be raised again during the life of the current parliamentary session".[13] That position remained unchanged during the period under review.

C. Position of the administering Power

63. On 4 February 1998, the Secretary for Foreign and Commonwealth Affairs of the United Kingdom, Mr. Robin Cook, in a speech before the Dependent Territories Association in London, announced that in his first months as Foreign Secretary, he had set in hand a review of the United Kingdom's stewardship of the Dependent Territories. A summary of the principles and key issues contained in the proposal "to modernize" the United Kingdom's relations with the Territories is contained in document A/AC.109/2102, paras. 70-81.

D. Action by the General Assembly

64. In a statement before the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly, on 10 October 1997, the representative of the United Kingdom stated her Government's position towards its Dependent Territories (see also A/C.4/52/SR.6, paras. 79-85).

65. On 10 December 1997, the General Assembly adopted without a vote resolution 52/77 B, section III of which particularly concerns Bermuda.

Notes

[1] The information contained in the present working paper has been derived from published information.

[2] Economist Intelligence Unit, 1st quarter 1998.

[3] Ibid.

[4] *The Royal Gazette*, March 1998/*Bermuda Sun*, 18 July 1997.

[5] Economist Intelligence Unit Country Profile 1997-98.

[6] Ibid.

[7] Ibid.

[8] One Bermuda dollar (B$ 1.00) is equivalent to one United States dollar (US$ 1.00).

[9] 1998 Caribbean Basin Profile, Bermuda.

[10] *The Royal Gazette*, 16 April 1998.

[11] *Bermuda Sun*, 18 July 1997.

[12] *The Royal Gazette*, 5 May 1998.

[13] Ibid., 30 September 1995.

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I. General

1. The British Virgin Islands[1] are a group of approximately 40 islands, of which 16 are inhabited, the most important being Tortola, Virgin Gorda, Anegada and Jost Van Dyke. The islands are located about 96 kilometres east of Puerto Rico and 225 kilometres north-west of St. Kitts and Nevis. They form an archipelago with the United States Virgin Islands, with which they maintain close links. Eighty per cent of the population lives on Tortola.

2. In 1996, the population was estimated to be 18,737. (The last official census, in 1991, surveyed 16,644). About 45 per cent of the population is made up of immigrants, most of whom come from neighbouring islands. Adult literacy is estimated at 95 per cent.

II. Constitutional and political developments

3. In 1995, the Constitution was amended to add 4 at-large seats to the Legislative Council (creating a total of 13 seats). A review of this innovation, in particular its effectiveness in enhancing the legislature's representative function, began in April 1998. The recommendations of the review will be presented to the Secretary for Foreign and Commonwealth Affairs of the United Kingdom of Great Britain and Northern Ireland.[2] The next legislative elections must be held before May 1999.

4. Further information on the Constitution of the British Virgin Islands, the constitutional review conducted by the administering Power in 1995 and information on political parties and the 1995 general elections, is contained in the previous working papers prepared by the Secretariat (A/AC.109/1142, paras. 13-15; A/AC.109/1180, paras. 6-18; A/AC.109/2017, paras. 3-21; and A/AC.109/2055, paras. 3-11).

III. Economic conditions

A. General

5. The economy remains based on tourism and the provision of financial services. The territorial Government has enacted policies to diversify and strengthen each sector (see paras. 13 and 14 below) and to enhance the links between them. Because of its impressive economic indicators, in particular its high per capita gross domestic product (GDP) (see para. 6 below), the Territory ceased receiving development aid assistance from the governing Power in 1996 (though it still receives development aid from the European Union under the Lomé Convention). The Government's National Integrated Development Plan is designed to expand the economic base of the Territory, improve living standards and distribute gains more equitably through a framework of consultation that will determine consensual policies. The territorial Government has also determined to try to lessen dependence for revenue on the financial sector by more efficiently collecting revenue elsewhere in the economy.

6. In 1997, GDP rose by 4.5 per cent, compared to 6.1 per cent in 1996. Per capita GDP in 1996 was $26,903.

B. Public finance

7. The current budget surplus for 1997 is estimated at $42 million, a 60 per cent increase from the $26.2 million surplus in 1996. The large increase is the result of maintaining expenditures at 1996 levels of $85.8 million, while increasing revenue by 14 per cent, from $112 million to $127.7 million.[3] Of these revenues, 49.9 per cent came from the licensing and registration of international business companies.

8. The merchandise trade balance declined in the first three quarters of 1997. Imports rose 11.4 per cent (to $120.1 million) while exports rose only 3.1 per cent (to 4.5 million), creating a deficit of $115.6 million. The territorial Government expected that net service exports from the tourism and financial sectors would make up for the shortfall. Total export earnings, mainly driven by these two sectors, rose 18.8 per cent during the second quarter of 1997, compared to 11.7 per cent during the same period in 1996.[4]

9. Maintenance costs in respect of a series of recently completed capital projects (see para. 10 below) are expected to increase the Government's expenditures in 1998.

C. Construction and development

10. Several capital projects were completed in 1997. One such project was a disaster management programme to reduce vulnerability to hurricanes. Construction of a dual carriageway in the Road Town area began in 1996; it is estimated that it will cost $4.8 million. Capital improvements were also ongoing at the airports on Beef Island and Virgin Gorda. A $2.4 million contract was signed in April 1998 to build a new bridge between Tortola and

Beef Island, where the main airport is. The residential construction sector remains buoyant.[4]

D. Agriculture, livestock and fisheries

11. The agriculture sector accounts for approximately 4 per cent of GDP. Eight hundred hectares are under cultivation, and 4,000 hectares of pasture are used for stock rearing. The main crops are fruit and vegetables, which are produced mostly for local consumption, though some are exported to the United States Virgin Islands. Sugar cane is grown for the production of rum. The coastal waters are rich in fish, which provide the primary export of the agriculture/fisheries sector. The use of better technology is helping to increase the catch, and a fisheries credit scheme assists fishermen in financing the purchase of boats. The principal obstacles to developing the agriculture sector are shortage of labour, lack of water and few marketing facilities.

E. Industrial development

12. Manufacturing accounted for less than 5 per cent of GDP between 1991 and 1995. The most important manufactured products are rum, rice, tourist items, books and construction materials (mostly aggregates). Tax and duty exemptions are offered to promote industry. Under the Pioneer Services and Enterprises Ordinance, for example, investors in enterprises for which a special need exists in the Territory may benefit from a tax holiday of up to 10 years and may import capital needed for their investment without paying duty.

F. International business and finance

13. The financial services sector remains dominated by international business companies, which generate half of total government revenue. Total registrations of international business companies now exceed 250,000. More than 50,000 registrations were recorded in 1997, up from 41,618 in 1996 (an increase of almost 20 per cent). The British Virgin Islands has accumulated an estimated 45 per cent share of the global market for this service. At the same time, the Government is trying to diversify within the financial sector, for example by promoting ship registrations and mutual fund markets.[3] Ship and yacht registration increased 16 per cent in 1996. In December 1997, amendments were made to the 1996 mutual funds act to enhance regulation of mutual funds. According to the territorial Government, the purpose was "to create a fit and proper environment which meets internationally recognized standards of best practice in the management and administration of mutual funds."[5] Nonetheless, mutual funds, trust companies, insurance and banking remain a relatively insignificant part of the financial services sector (although 14 new captive insurance licenses were issued in 1996, bringing the total to 116).

G. Tourism

14. Tourism provides approximately 25 per cent of GDP. The territorial Government continued its active promotional programme for tourism. A key part of the Government's tourism strategy is to maintain the island's upscale image. To this end, the Government has placed restrictions on the number of cruise ships allowed in port and the number of passengers allowed on shore, has limited the development of high-rise hotels and casinos and has promoted the development of niche market sectors, such as inns and villas. Sixty per cent of total visitor revenue to the island comes from overnight visitors aboard yachts, showing the importance of the upscale tourist market to the Territory. In April 1998, the Government announced the formation of a team to develop a model to measure the overall economic impact of tourism on the economy.

15. Stayover visitor arrivals in the first three quarters of 1997 increased by 62.4 per cent (a total of 184,779 visitors) compared to the corresponding period in 1996. This increase was relative to the less-than-usual number of visits in early 1996 because of the 1995 hurricanes. The number of cruise ship passengers in the first three quarters of 1997 declined by 28.1 per cent (to 83,074). Again, this decline is exaggerated by artificially inflated cruise ship arrivals in 1996, when ships were redirected from other destinations that had not yet repaired their infrastructure damaged in the 1995 hurricanes.

IV. Social conditions

A. Labour

16. The labour force is engaged primarily in tourism (26 per cent), government (20 per cent) and construction (18 per cent). There is virtually no unemployment.

B. Public health

17. Tortola has a well-equipped hospital, 10 doctors, 2 dentists, 2 visiting eye specialists and 2 chiropractors. Health policy emphasis is on the improvement of preventive medicine. Hence, there are frequent school medical examinations and successful immunization campaigns against smallpox, diphtheria, whooping cough, tetanus and poliomyelitis.

C. Crime and crime prevention

18. The Royal Virgin Islands Police Force maintains three stations in Tortola and one each in Virgin Gorda, Anegada and Jost Van Dyke. The total size of the force is 161 officers. The level of violent crime is among the lowest in the region. In order to combat problems associated with drug trafficking, the Government of the United Kingdom has provided expatriate police personnel, a police launch, a surveillance aircraft and other anti-narcotics equipment. Two Royal Navy personnel and two Royal Air Force crew members are funded by the Government of the United Kingdom. Drug trafficking is on the rise throughout the Caribbean, and in 1996, 1,765 kilograms of cocaine were seized in the Territory.

V. Educational conditions

19. There are a total of 18 public and 11 private primary schools in Tortola, Anegada, Virgin Gorda and Jost Van Dyke. There are three high schools (one private and two public) and a community college in Road Town. Secondary education is available to the General Certificate of Education "A" level. Higher education is provided by the University of the West Indies, while the H. Lavity Stoutt Community College offers associate degree courses and technical education.

VI. Participation in regional organizations

20. The Territory enjoys associate membership in the International Labor Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the Economic Commission for Latin America and the Caribbean (ECLAC). The Territory is an associate member of the Caribbean Community (CARICOM), whose goal is to promote closer political and economic integration among Caribbean States. It is a borrowing member of the Caribbean Development Bank (CDB). It is also a signatory to the Lomé Convention, which provides preferential access to the European Union for sugar, bananas, rum and rice from the Caribbean, as well as development assistance. The current convention, Lomé IV, runs until February 2000, after which the existing trade arrangements may be revised.

VII. Future political status of the Territory

A. Position of the territorial Government

21. Information on the position of the territorial Government is contained in previous working papers prepared by the Secretariat (A/AC.109/1180, paras. 26-28 and A/AC.109/2017, para. 61).

B. Position of the administering Power

22. On 4 February 1998 the British Foreign Secretary, Mr. Robin Cook, proposed a "new partnership" between the administering Power and the territorial Government. In particular, the Foreign Secretary asserted the following:

> "First, the right of self-determination is paramount. Britain has willingly granted independence where it has been requested. Equally, Britain remains committed to those sovereign territories which wish to retain the British connection ... Third, within this framework Britain would like to see the Dependent Territories running their own affairs as much as possible."[6]

23. Further information on the position of the United Kingdom of Great Britain and Northern Ireland on the future status of the Territories under their administration is contained in document A/AC.109/2075, paragraphs 34-36.

C. Action by the General Assembly

24. On 10 December 1997, the General Assembly adopted, without a vote, resolution 52/77 B, section IV of which concerns the British Virgin Islands.

Notes

[1] Information contained in the present working paper has been derived from information transmitted to the Secretary-General by the Government of the United Kingdom under Article 73*e* of the Charter of the United Nations in May 1998 and from publications.

[2] *BVI Beacon*, 30 April 1998.

[3] Caribbean Development Bank, 1997 Annual Report.

[4] *BVI Beacon*, 7 May 1998.

[5] *Bermuda Sun*, 9 December 1997.

[6] Information provided by the Administering Power.

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East Timor

Working paper prepared by the Secretariat

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I. General

1. The Territory of East Timor comprises the eastern part of the island of Timor, which is located at the top of the chain of islands forming the Republic of Indonesia; the enclave of Oecusse Ambeno; the island of Atauro, off the northern coast of Timor; and the island of Jaco, off its extreme tip. It lies between latitudes of 8°17'S and 10°22'S and longitudes 123°25'E and 127°19'E. The 1980 census recorded the total population of the Territory at 555,350. According to Indonesian Government estimates, as of 1997, the population of the Territory was 857,000.[1]

II. Political developments

A. Background

2. According to Indonesian Law 7/76 of 17 July 1976, East Timor is a province or a "first-level region" of Indonesia, with a Government consisting of a "Regional Secretariat" and a "Regional House of Representatives". East Timor is represented in the National House of Representatives and in the People's Consultative Assembly of Indonesia.

3. In its resolution 32/34 of 28 November 1977, the General Assembly rejected the claim that East Timor had been integrated into Indonesia, inasmuch as the people of the Territory had not been able to exercise freely their right to self-determination and independence.

B. Recent developments

4. Indonesia has continued to maintain its military presence in East Timor. In 1997, Indonesian sources stated that it had seven battalions in the Territory, with between 600 and 650 men per battalion.[2] Other sources stated that the Indonesian Government maintained an estimated 15,000 troops in the Territory.[3]

5. East Timorese resistance to Indonesian rule has continued. On 6 June 1997, press reports indicated that at least 36 persons were killed following a series of attacks and violence which were blamed on pro-independence guerrillas. Indonesian police arrested and questioned 130 people in various districts. East Timor experienced a surge of unrest around the period of Indonesia's election (29 May). The guerrillas reportedly launched a wave of attacks in Dili, and in the towns of Baucau, Ermera and Los Palos. Rebels threw a grenade into a truck carrying policemen in the Baucau district, instantly killing 13. Five policemen were killed as they tried to escape, while nine others were injured.[4]

6. Guerrilla leader Mr. David Alex died of gunshot wounds on 25 June 1997 following a shootout with Indonesian soldiers in Baucau, 15 kilometres east of Dili. Five of his followers were captured. The circumstances of Mr. Alex's death have been in dispute as a rebel spokesperson said Mr. Alex was only slightly wounded but later died in the military hospital. Amnesty International called on Indonesia to allow for "an independent and impartial investigation" into Mr. Alex's death.[5] On 27 June 1997, Portuguese President Jorge Sampaio appealed to the United Nations and the international community to "ensure a radical change in human rights" in East Timor.[6]

7. On 30 July 1997, some 14 people who had taken part in a demonstration at the time of the visit of the United Nations Secretary-General's Personal Representative for East Timor on 23 March 1997 were brought to trial. Prosecutor Bonar Pardede charged the defendants, aged between 19 and 33, with publicly advocating separatism. The demonstrators had demanded to meet the United Nations envoy but were blocked by security personnel.[7] They were sentenced to one year in prison.

8. On 4 September 1997, East Timor's "Governor" José Osorio Abilio Soares was re-elected to office by the (local) legislative council, with 90 per cent of the vote. The council, comprising legislators from Golkar, the United Development Party and the Indonesian Democratic Party, elected Soares for a five-year term.[8] President Suharto gave Mr. Soares' election the final approval.

9. In September 1997, a group of Nobel laureates and other prominent figures signed a letter to President Suharto appealing for his "fullest support" for new moves to try to resolve the conflict in East Timor. Those who signed the open letter included former presidents of four nations, Messrs. Richard von Weizsaecker (Germany), F. W. de Klerk (South Africa), Oscar Arias Sánchez (Costa Rica), and Patricio Aylwin Azocar (Chile). Former Australian Foreign Minister Gareth Evans, who also signed the letter, stated that it was a "well-intentioned effort to encourage President Suharto to rethink his position on East Timor, which is obviously still causing Indonesia a great deal of pain in its international relations".[9]

10. On 13 September 1997, a bomb exploded in the Plamongan Indah housing complex in Demak, Central Java. According to a spokesperson of the Indonesian Armed Forces, it was an accidental explosion that occurred during a bomb-making activity managed by the *Associacio*

Socialista de Timor, a pro-independence group.[10] Press reports indicated that the Indonesian authorities arrested at least nine East Timorese youths in Semarang and Dili in connection with the incident.[11]

11. The International Committee of the Red Cross (ICRC) and the 164th Wira Dharma military command in Dili continued to hold regular dialogue in efforts to solve human rights issues in East Timor. The head of ICRC in Dili, Jeurg Frei, said "we've been having good relations with the military since we began holding such dialogues".[12]

12. On 12 November 1997, East Timorese held demonstrations to commemorate the sixth anniversary of the Dili incident of 12 November 1991, when security personnel opened fire, killing a large number of demonstrators. Some 300 students held a candlelit ceremony inside the campus of the University of East Timor. In Yogjakarta, 70 students wore black clothes and unfurled posters and banners before the city legislative building. In Kuala Lumpur, Solidaritas Timor Timur, an organization which supports self-determination for East Timor, issued a statement marking the anniversary. In Washington, D.C., 11 people were arrested in front of the Indonesian Embassy for staging a mock funeral.[13]

13. Media sources reported that on 14 November 1997, a clash ensued between Indonesian troops and students at the University of East Timor. Reports stated that trouble broke out when a number of students started fighting with plain-clothes military personnel who had entered university premises. By the time truckloads of military reinforcements arrived, a large crowd of students had gathered at the university entrance. Police and soldiers started firing their weapons into the air to disperse the crowd.[14] A subsequent report issued by the Indonesian National Human Rights Commission stated that there had been no deaths in the campus clash, but that a number of students and security personnel had suffered injuries.[15]

14. The Asia Pacific Economic Cooperation (APEC) summit held in Vancouver from 24 to 25 November 1997 attracted demonstrators calling on the summit to place the issue of human rights higher on its agenda. Sixteen people protesting Indonesia's presence in East Timor were arrested. A people's summit, an "alternative" conference organized by human rights and labour activists, was held simultaneously. The people's summit filed a petition to Canadian Foreign Minister Lloyd Axworthy, asking Canada to seek a commitment from Indonesia that Indonesians attending protests abroad would not be prosecuted on their return home.[16]

15. In January 1998, East Timorese students held a demonstration in the regional legislative council of Semarang, Central Java's provincial capital. A spokesperson of the students' organization Impetu said that the demonstration followed a series of kidnappings of several East Timorese students and university professor Lucas da Costa in Java in December 1997. Impetu called on the Indonesian Government to protect East Timorese students across the nation against military and police abuses.[17]

16. The Third Asia Pacific Conference on East Timor (APCET III) was held in Bangkok from 2 to 6 March 1998. The organizers said that it was the first time that the Conference had been concluded successfully, despite complaints of police videotaping participants during the first days, and foreign participants having to present work permits. Some 90 academics, parliamentarians and human rights activists attended the conference. The Conference statement called upon the United Nations to place a human rights representative in Dili.[18]

17. Media sources stated that rebel leader Nino Konis Santana died on 11 March 1998 in Ainaro district from injuries sustained during a fall when he was trying to take shelter in one of his hiding places. Mr. Taur Matan Ruak, who was named successor, was quoted as appealing to the Indonesian Government to work in conjunction with the international community towards a peaceful solution, stating that a "radicalism approach" would not benefit Indonesia.[19]

18. On 29 March 1998, a team from the Indonesian National Commission on Human Rights arrived in Dili to investigate the 4 January 1998 death of four residents of Coeliman village in East Timor. The team was scheduled to meet Dili Bishop Carlos Belo as part of their information-gathering. Team member Mr. B. N. Marbun said he welcomed journalists wishing to join the team. He added that all relevant information on the deaths would be collected for further discussion in Jakarta before the results were announced.[20]

19. On 3 April 1998, some 70 East Timorese students staged a peaceful rally in front of the British Embassy in Jakarta, demanding that officials attending the Asia-Europe Meeting in London to include human rights in East Timor in their agenda. A statement issued by the demonstrators "urged European governments not to use the Asian financial crisis as an excuse not to take a stand on East Timor or press Indonesia on it". Riot police from the Menteng subprecinct and troops from the district military command sealed off the area to prevent possible unrest.[21] Indonesian Foreign Minister Ali Alatas said that the issue of East Timor would

not be taken up at the meeting because it was irrelevant and was already being addressed in other forums.[22]

20. On 20 April 1998, Portuguese radio reported that Messrs. Manuel Carrascalao and Francisco Carvalho, two leaders of the Movement of Reconciliation and Unity inside East Timor, had been subjected to continuous interrogation for four consecutive days. Indonesian authorities confiscated symbols of the movement and office equipment, including fax machines, typewriters and various documents.[23] Both men were being investigated for "sowing public hatred against the Government".[24]

21. A meeting entitled East Timorese National Convention in the Diaspora was held in Peniche (north of Lisbon) from 23 to 27 April 1998. East Timorese resistance groups joined forces to establish a unified stand on the future of East Timor. The Convention, which was attended by 208 delegates from more than a dozen political parties, established the Council of Timorese Resistance. The new Council is headed by Mr. "Xanana" Gusmao, East Timorese resistance leader who is still serving a 20-year jail sentence in Jakarta, while Nobel laureate Mr. José Ramos-Horta, East Timorese resistance activist spokesman, was appointed Vice-President. A second vice-president from inside East Timor was also named. The delegates approved a charter of principles entitled "Magna Carta concerning Freedoms, Rights, Duties and Guarantees for the People of East Timor". The Convention was not attended by the Reconciliation Group for East Timor's Development and the East Timor Socialist Association, who ran their own resistance network inside East Timor.[25] Indonesian Foreign Minister Ali Alatas criticized Portugal for supporting the conference, stating that the conference "was undermining the existing efforts by the United Nations Secretary-General under the tripartite dialogue"[26] and would "only sharpen the polarization among the East Timorese".[27] He also stated that the conference would affect the All-Inclusive Intra-East Timorese Dialogue which would "lose its useful aims".

22. A number of East Timorese continued to seek asylum in foreign embassies in Jakarta. Four adults and two children remain at the Austrian Embassy after taking refuge there in September 1997. Indonesian authorities have refused to give safe passage to two East Timorese whom they accuse of being involved in causing a bomb explosion in Central Java on 13 September 1997.[28] Four asylum-seekers who entered the Bulgarian Embassy in June 1997 were handed over to the Indonesian police hours after their entry.[29] In January 1998, five East Timorese sought asylum at the French Embassy[30] while eight sought refuge at the Spanish Embassy.[31] In February 1998, a group of six entered the Spanish Embassy,[32] and in April, four East Timorese entered the British Embassy seeking asylum.[33] All were eventually granted safe passage to Lisbon.

III. Human rights situation

23. A member of the Commission on Human Rights since 1991, Indonesia has repeatedly affirmed its commitment to international human rights principles.

24. The United States Department of State, in its 1997 annual report on human rights released on 30 January 1998, stated that during 1997, the Government of Indonesia "continued to commit serious human rights abuses". Following the massive December 1996 demonstrations in Dili in support of Nobel Peace Prize recipient Bishop Belo, an early 1997 campaign of harassment and detention by the security forces in East Timor raised tension to a high level. During the Indonesian parliamentary elections in May and its aftermath, East Timor's low-level insurgency intensified with guerrilla attacks that inflicted the highest number of deaths in years on security personnel and civilians. These attacks were followed by the capture and death of a prominent guerrilla commander and widespread detentions, accompanied by reports of killings, disappearances, torture and excessive use of force on the part of the authorities. In November, at least five students were injured when a large number of security personnel entered the University of East Timor campus and opened fire. Authorities said that security forces had used only rubber bullets, but, according to independent human rights organizations, several of the injured students were reportedly shot and two suffered from bayonet wounds. ICRC was permitted to visit the wounded students.

25. According to the same report no significant progress was made in accounting for persons missing following the 1991 Dili incident or others who disappeared in recent years. The report indicated that troop levels remained unjustifiably high, totalling more than 16,000 personnel. The Government was accused of relying on bands of youths, organized and directed by the military, to intimidate its opponents. Such a civilian paramilitary group, known as the *gada paksi*, was said to have been frequently involved in night-time raids in Dili. Their activities abated in the latter half of 1997. The Government granted limited access to East Timor for foreign journalists but banned travel by all foreign human rights non-governmental organizations except ICRC. Increased efforts of the Catholic Church and others, along with better understanding of the international humanitarian norms among senior military officers, improved the overall quality of human rights monitoring in East Timor. Young East

Timorese mounted further intrusions into various embassies in Jakarta, seeking asylum or publicity for their cause. Credible sources confirmed several deaths in detention during 1997. In June, an individual known as "Januario" was detained in Baucau and severely beaten. He died while being transported to Dili. There were also credible reports that detainees in East Timor were shot to death while allegedly attempting to escape. Military units regularly detain civilians for interrogation, most are held in extralegal military detention centres, often with no notification of relatives. All 32 people detained following a demonstration at the Makhota Hotel in Dili in March suffered beatings at the hands of the police. On 4 April, four residents of Lavateri village near Baucau, detained by an intelligence team, were reportedly beaten with rifle butts. On 26 February, six East Timorese detained by the Joint Intelligence Unit in Liquica, were reportedly tortured with electric shocks and immersion in ice water. Legal action is being pursued in the case of a woman allegedly the victim of repeated rapes by military personnel in November 1996 while in military custody. Many prisoners are serving sentences for subversion. On 17 August, Juvencio de Jesus Martins was released under normal remission procedures.

26. The United States Department of State report points out that the Indonesian Government revived its transmigration programme, this time with private corporate support. Some critics claim that the programme has been used as a political tool to inject non-indigenous people into certain areas to "Indonesianize" these areas, in part to preclude pro-independence movements. Indigenous groups have complained about receiving less government support and funding than transmigrants. Transmigrants complain about inadequate infrastructure to support them and less than desirable land. On 12 September, an NGO-sponsored seminar on East Timor was held in Jakarta without government interference. On 8 September, a public dialogue between the military, the Government and NGOs was held. The Government reiterated its position that it considered outside investigations or foreign-based criticism of alleged human rights violations to be interference in its internal affairs. Although it experienced serious delays, ICRC was able to visit the vast majority of detainees in East Timor. However, it periodically faced difficulty in implementing its humanitarian programme. The government-appointed National Human Rights Commission, in its fourth year of operation, continued to be active in examining reported human rights violations and continued to show independence. However, the Government has moved slowly in responding to the Commission's findings, including the October 1996 report on the 1996 "27 July incident". The report listed 23 missing, 149 injured and 5 dead. Two government ministers publicly declared the case closed in August and said that there should be no more public discussion of the incident. The Commission's opening of an East Timor office in June 1996 was regarded as a positive step in the effort to address human rights abuses. However, observers have doubts about its effectiveness, owing to the office's proximity to the local military headquarters, its reliance on government-provided staffing, and the fact that it can only receive complaints and report them to Jakarta. The office has also limited itself to non-political cases, therefore making little impact with regard to more serious human rights problems in East Timor.[34]

27. In September 1997, *Human Rights Watch* issued a report on Indonesia/East Timor. The following are excerpts from the summary and conclusion of that report.

> "The months of May, June, and July 1997 seemed to mark an intensification of the conflict in East Timor, with guerrilla attacks on both Indonesian military targets and civilians in Dili, Baucau, Ermera, and Los Palos, and intensive operations by the Indonesian army to find and punish those responsible. The timing of the attacks was linked to the 29 May national elections in Indonesia in which Foreign Minister Ali Alatas ran representing East Timor on the list of the ruling party, Golkar. Both Mr. Alatas and Transmigration Minister Siswono Yudohusodo made highly publicized campaign visits to East Timor in mid-May, with Mr. Alatas challenged by students at the University of East Timor for Indonesia's refusal to hold a referendum on the Territory. Mr. Siswono's presence [is] serving to underscore the highly sensitive issue of how government-sponsored migration is changing the demographics of East Timor. The outcome of the election was never in doubt – Golkar won in East Timor by more than 80 per cent of the vote as opposed to its 74 per cent overall victory in Indonesia – but guerrillas targeted polling places, election officials, and, in some cases, voters to highlight their rejection of Indonesian rule. Some thirty people died in these attacks, including at least ten civilians, whose deaths Human Rights Watch condemned as a clear violation of international law.
>
> "But violations of humanitarian law by the guerrillas, (...) cannot justify violations in return by the Indonesian Government and armed forces: the months following the attacks have been characterized by widespread arbitrary detention, torture, and at least one high-profile death in custody that needs further investigation. (...) Military teams have been

systematically rounding up large numbers of people, detaining them for days or weeks at a time without a warrant or detention order, and intimidating or torturing them so that the army can get information about possible suspects. Hundreds of East Timorese, men and women, were arrested in this manner in June and July 1997, a continuation of a long-established pattern in East Timor.

"Torture, particularly with electric shocks but also with a variety of instruments such as rattan, metal pipes, and electric cable, is a standard method of interrogation used by police and army personnel alike. Torture is carried out primarily in police stations and military posts or intelligence safe houses immediately after arrests, but Human Rights Watch has also received reports of arresting officers taking suspects from their homes into forest areas in the vicinity and torturing them for information there, where there may be less danger of word filtering back to local human rights monitors or the International Committee of the Red Cross (ICRC). Torture has even apparently become a source of income for individual officers in East Timor who are selling photographs and even videotapes of interrogation sessions to the highest bidder, with the price rising as more details (such as where and when the interrogation took place) are included.

"It is important to note that the conflict did not suddenly erupt again in May after a long period of dormancy. Rather, tensions have escalated steadily in recent years as the army has tried to "Timorize" the security forces, with a heavy reliance on unemployed young people as informers, and as socio-economic problems (a high unemployment rate; development policies seen as favouring non-Timorese; and an increasing number of Indonesian migrants) have fuelled resentment of the Indonesian presence. The attacks in May were preceded by a series of violent outbreaks, each of which led to mass arrests and accompanying human rights violations.

"The human rights situation in East Timor has worsened. Despite some high-profile prosecutions, such as the arrest in 1996 of officers accused of summary executions in Liquica, East Timor, there appears to have been no progress on the part of the Indonesian military command in East Timor in curbing torture and arbitrary arrests. This is not to suggest that no arrests in East Timor are ever justified. The Indonesian Government is, after all, fighting an armed insurgency. But East Timorese civilians and non-combatants need protection from human rights violations by the Indonesian army, and instead of taking steps to prevent abuses, Indonesian officers uniformly put the blame on guerrillas and their supporters. Almost twenty-two years since the Indonesian invasion of East Timor, no end to the political violence is in sight."[35]

28. A March 1998 report of *Amnesty International* focused on the implementation of the recommendations contained in the report of the United Nations Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions (E/CN.4/1995/61/Add.1) after a visit to the Territory from 3 to 13 July 1994. It stated that, with the exception of the recommendation on the establishment of a human rights commission, the Government of Indonesia had so far not acted on the other recommendations contained in that report. It noted that the Indonesian National Human Rights Commission (*Komnas HAM*), which was established by Presidential Decree in 1993, had become an important mechanism for the protection of human rights in East Timor. Its findings had resulted in some members of the military facing prosecution for violations of human rights. However, *Komnas HAM* had limited resources and legal powers and the Indonesian Government often ignored its findings or implemented them only partially. Its Dili office had not operated effectively as it conducted few if any investigations into recent violations of human rights, leaving East Timorese without even this limited mechanism for seeking justice and redress for human rights violations. Its operations were subject to intensive military surveillance. With regard to the violence which intensified during general elections held in East Timor, the report indicated that the *Falintil* (East Timorese National Liberation Army) attacked military and civilian targets and that resistance sources admitted to some of the civilian deaths. It condemned *Falintil's* attacks on civilians but stated that investigations on subsequent similar allegations had not been possible because of restrictions on access to East Timor imposed by the Indonesian Government. The unwillingness, or the inability of the Indonesian Government to implement recommendations made by the Special Rapporteur and other United Nations mechanisms and experts reflected a general reluctance by the authorities to address the fundamental causes of human rights violations in East Timor, including the impunity enjoyed by the security forces.[36]

29. On 6 November 1997, five members of the United States Congress addressed a letter to Treasury Secretary Robert Rubin, urging the withdrawal of United States support for the International Monetary Fund-led aid package to Indonesia unless Indonesia "stops its oppressive practices

and shows respect for the people of East Timor".[37] On 10 June 1997, United States Congressman Patrick Kennedy introduced an amendment to the Foreign Relations Reform Act, which was unanimously approved by the United States House of Representatives. According to a press release, the amendment would express "a sense of Congress in condemning the human rights abuses committed against the people of the former Portuguese colony of East Timor by the Indonesian Government".[38]

IV. Economic, social and educational conditions

30. In the absence of information submitted by the administering Power under Article 73 *e* of the Charter of the United Nations and for reasons explained in paragraph 52 below, the following information on economic, social and educational conditions in the Territory has been derived from the press releases of the Permanent Mission of Indonesia to the United Nations, which have described the prevailing conditions as follows:

A. Economic growth

31. Information from the Government of Indonesia dated 7 August 1997 indicated that, during the past 10 years, East Timor's economy has been growing at the average rate of 10 per cent a year higher than the 6.8 per cent growth recorded in the other provinces. The Indonesian Government points out that East Timor's economic growth almost parallel led the rapid economic growth of East Java and Yogjakarta. As a result, the income per capita of the province has increased 10 times since the US$ 34.2 of the mid-1970s, according to the same sources.

32. According to the Indonesian Government, for the budget year 1997/1998, the amount of government spending for development programmes was over 200 million rupiah. In order to catch up with developments of other provinces, the Government has accorded priority to East Timor and the development spending per capita was the highest when compared to other provinces.

33. In recent months, the development expenditure has included the following: President Suharto inaugurated the giant statue of Christ the King at Fatumaca Hill, Dili; on 15 October 1996, several other development projects of approximately US$ 45 million were also inaugurated by President Suharto; the Minister of Foreign Affairs launched 11 development projects covering irrigation, bridges, water supply systems, schools, housing improvements and waste/garbage disposal on 24 May 1997; and the Minister for Investment inaugurated two factories in Dili for manufacturing textiles and iodized salt and which would predominantly hire East Timorese.

B. Employment

34. The information also indicated that, as in the case of many provinces in Indonesia, unemployment among the East Timorese youth remained a problem and needed to be addressed. In this regard, during the last five years, a total of 1,508 young East Timorese have been employed in the business sector in 10 Indonesian provinces. In addition, at the end of 1995, the Government recruited 2,000 East Timorese in the civil service sector, including 334 in the provincial government, 316 in the district government, 300 in the field of education, 180 as paramedics, 175 in the agriculture sector, 120 in the public works and the rest are employed in the private sector. Furthermore, the Government has established vocational training programmes for the youth to become small-scale entrepreneurs.

C. Agriculture

35. The Operational Director of the United States-based National Cooperative Business Association (NCBA) stated that East Timor's organic coffee products were exported to the United States, Australia, New Zealand, Italy and the Netherlands. In cooperation with the rural cooperative unit (*Puksud*), a total of 1,060 tons have been exported since 1995. Besides exporting East Timor's coffee products to other countries, NCBA also provides special training for local farmers and coffee growers.[39]

D. Water

36. On 14 September 1997, the Australian Government announced that it would grant 4 million Australian dollars (US$ 2.88 million) to provide clean water to an additional 20,000 people of East Timor. The office of Australian Foreign Minister Alexander Downer said that this support would continue the ongoing water supply and sanitation project for 18 months, until March 1999.[40] ICRC head, Jeurg Frei, said that ICRC has also established cooperation with the Indonesian Red Cross in implementing 54 projects aimed at providing people with clean water.[41]

37. The following information was derived from other media sources:

E. Communications and transport

38. Indonesian Government statistics indicate that East Timor currently has almost 2,700 kilometres of modern asphalted roads, connecting the 13 districts of the 14,609 square-kilometre province.[42]

39. The Timor Kmanek, a new radio station sponsored by Dili Bishop Carlos Belo, was inaugurated by "Governor" Soares on 4 February 1998. Mr. Soares said he hoped that the new station would improve development in East Timor. Bishop Belo expressed hope that the station would form a common bond among Catholics in East Timor's villages. Broadcasts will be aired in the local Tetun language.[43]

F. Education and training

40. A reported 22 per cent (190,783) of the population of 857,000 receive formal education. East Timor has five universities, with total enrolment of 5,000. There are 239 schools including 63 kindergartens, 114 junior high schools, 37 senior high schools and 16 vocational training schools. At least 3,416 teachers are employed at the schools. Local authorities state that about 17,000 East Timorese are jobless and the number is expected to rise by 4,000 annually, due to the disparity in job opportunities and new graduates.[44]

41. A press release dated 5 July 1997 announced that the Norwegian oil company, Statoil, will sponsor young East Timorese to travel to Norway to receive training in oil exploration. Under a five-year accord, an initial sum of approximately US$ 483,000 would finance the training of five or six students. A Norwegian organization, World Viem Right, and the Cardinal Martinho da Costa Lopes foundation would manage the grants.[45] Another press report stated that the Norwegian Government, through the Oslo-based Bishop Belo Educational Foundation, had offered scholarships to East Timorese students to pursue their studies in Norwegian universities. The Foundation provided scholarships for some 300 students from different countries in 1997.[46]

G. Health care

42. Health facilities include 11 hospitals, 256 community health centres, 288 auxiliary community health centres and 1,003 integrated health service posts. Almost every health centre has one or two doctors and a dozen nurses.[47]

H. Religion

43. Several religions are practised in East Timor. There are 765,135 Catholics, 30,538 Protestants, 24,938 Muslims, 5,500 Hindus and 2,787 Buddhists.[48]

I. Housing

44. The East Timor administration needs more funds to build new houses for indigenous people, who are still living in leaf-roofed huts in many areas. Each "regency" may require at least 1 billion rupiah in assistance to improve the people's welfare and build them adequate housing.[49]

J. Tourism

45. There is ample potential for the development of a tourism industry in East Timor. The enclave of Ambeno, Atauro and Jaco islands are touted as having the most potential. The islands have various natural tourist attractions and several cultural and historical sites. Hot water springs at Maurobo in the Bobonaro regency and the fortresses of Balibo and Maubara are also potential tourist attractions. Vast coffee plantations in Ermera and Ainaro, well known for cool weather, are considered interesting sites. White sandy beaches in Dili, Liquica and Baucau, as well as the sea gardens in Behau and Atauro, could attract tourists to East Timor.[50]

K. Transmigration

46. On 7 July 1997, the local transmigration office announced that 560 families from Indonesian islands and East Timor would be settled in East Timor in three transmigration sites. The "provincial" administration would offer families training and development while the Indonesian Ministry of Transmigration's local office would provide land and tools for young farmers in the "crash programme" to reduce unemployment. According to the local ministry's office, 6,484 families, or 28,950 resettlers, are now living in East Timor. Of those, 2,300 families were being trained in farming and the remaining 4,148 families were under the Ministry's supervision.[51] Since 1982, the Indonesian

Government has resettled a total of 8,940 families, most of them from Java, to improve social and cultural conditions.[52]

L. Oil

47. In November 1997, the Australia-Indonesia joint authority approved the US$ 42 million development plan for the oil field in the Timor Gap, clearing the way for first production in December 1998. A 1989 Timor Gap Treaty divided the 61,000 square kilometres stretch of continental shelf between East Timor and Australia, believed to contain huge oil and gas reserves. Partners in the development include BHP Petroleum, Santos, Inpex Sahul and Petroz.[53] East Timor "Governor" Soares said he had been encouraging contractors to make districts of Betano, Natabora and Viqueque their base camp for the exploration.[54] A report indicated that if the giant storage tank was constructed in East Timor, this could employ 1,000 workers in the next three years.[55] Scores of East Timorese youth were joining oil and gas training programmes in Central Java.[56]

V. Consideration by the United Nations

48. The Security Council, in its resolutions 384 (1975) of 22 December 1975 and 389 (1976) of 22 April 1976 "call[ed] upon all States to respect the territorial integrity of East Timor, as well as the inalienable right of its people to self-determination in accordance with General Assembly resolution 1514 (XV)", and also "call[ed] upon the Government of Indonesia to withdraw without delay all its forces from the Territory". Between 1961 and 1982, the General Assembly annually reviewed the question of East Timor and adopted resolutions on the basis of reports submitted by the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.[57] Since its thirty-eighth session, the General Assembly has deferred consideration of the item.[58]

49. Since 1977, the Government of Portugal, in its capacity as administering Power of East Timor, has annually informed the Secretary-General that, owing to conditions prevailing in the Territory, namely, the presence of armed forces of Indonesia, it has, de facto, been prevented from transmitting any information concerning East Timor under Article 73 *e* of the Charter of the United Nations.[59]

50. At its thirty-seventh session, by resolution 37/30 of 23 November 1982, the General Assembly requested the Secretary-General to initiate consultations with all parties directly concerned, with a view to exploring avenues for achieving a comprehensive settlement of the problem, and to report to the General Assembly at its thirty-eighth session. The Assembly requested the Special Committee to keep the situation in the Territory under active consideration and to render all assistance to the Secretary-General to facilitate implementation of the resolution.

51. Since 1983, the Secretary-General has conducted tripartite talks involving Indonesia and Portugal, as well as consultations with East Timorese representatives. He has kept the General Assembly regularly apprised of developments related to the exercise of his good offices.[60] His most recent progress report, submitted to the Assembly at its fifty-second session, is contained in document A/52/349.

52. On 6 June 1997, the spokesman for the Secretary-General issued the following statement:

> "The Secretary-General has been following with concern the reports of the recent violence incidents in East Timor which have resulted in the loss of life and are causing considerable human suffering. The Secretary-General has called on all parties concerned to exercise restraint. It may be recalled that the Secretary-General is scheduled to hold meetings with the Foreign Ministers of Indonesia and Portugal on 19 and 20 June in New York on the question of East Timor."[61]

53. On 19 and 20 June 1997 , the Secretary-General met with the Foreign Ministers of Indonesia and Portugal in New York, wherein the two foreign ministers agreed to the Secretary-General's proposal that talks be continued at the working level, chaired by Mr. Jamsheed Marker, the Secretary-General's Personal Representative for East Timor, and that their substance be kept confidential.[62] The Ministers also agreed that the All-Inclusive Intra-East Timorese Dialogue would continue and that the Secretary-General's Personal Representative would carry out the necessary consultations for the convening of the next meeting. The working-level senior officials meeting began in August 1997 and subsequent rounds were held in October and November 1997 and in May 1998.

54. During his state visit to Indonesia in July 1997, South African President Nelson Mandela lent his support to the Secretary-General's good offices and discussed the issue of East Timor with Indonesian President Suharto. With the agreement of his host, President Mandela met with Mr. "Xanana" Gusmao, the East Timorese pro-independence leader serving a 20-year jail term, after which he briefed the Secretary-General on those discussions. The Secretary-

General also dispatched Ambassador Marker to Pretoria in August 1997 for further discussions with President Mandela.[63]

55. In a note verbale dated 19 May 1997 addressed to the Secretary-General (A/52/152), the Permanent Representative of Portugal stated that it remained unable to provide information on East Timor required by Article 73 *e* of the Charter owing to the illegal occupation of the Territory by a third country and drew attention to reported developments concerning East Timor. By a letter dated 5 September 1997 addressed to the Secretary-General (A/52/323-S/1997/691) the Permanent Representative of Portugal transmitted a note verbale from the Portuguese Embassy in Canberra to the Department of Foreign Affairs and Trade of Australia, protesting against the signing of a treaty between Australia and Indonesia establishing an exclusive economic zone and certain seabed boundaries in as far as such Treaty related to East Timor. By a letter dated 8 September 1997 addressed to the Secretary-General (A/52/333), the Permanent Representative of Indonesia transmitted a note verbale in response to the communication of 19 May (A/52/333) from the Permanent Mission of Portugal. The note verbale offered information on the situation in East Timor.

56. The third round of the All-Inclusive Intra-East Timorese Dialogue was held at Krumbach, Austria, from 20 to 23 October 1997. At the conclusion of the meeting, the 34 participants adopted a Declaration by consensus. The full text of the Krumbach Declaration is reproduced in the annex to the present report. The outcome of the meeting was conveyed to the tripartite talks through the Secretary-General's Personal Representative for East Timor.[64]

57. In November 1997, the Secretary-General held talks with Portuguese President Sampaio and Prime Minister Gutteres during the Ibero-American summit in Venezuela. On 17 December 1997, the Secretary-General met with Indonesian Foreign Minister Ali Alatas in Kuala Lumpur during the meeting of the Association of South-East Nations (ASEAN) and discussed the latest developments on regional issues, including East Timor.[65] In December 1997, Mr. Jamsheed Marker, the Personal Representative of the Secretary-General visited East Timor and Jakarta. He met with Indonesian Foreign Minister Ali Alatas and other high-ranking civilian and military officials.[66] In January 1998, Mr. Marker visited Portugal and met with the President and Prime Minister, as well as with Foreign Minister Gama and a number of East Timorese representatives.

58. During the general debate at the fifty-second session of the General Assembly, the representatives of Angola (A/52/PV.10), Cape Verde (A/52/PV.10) and Portugal (A/52/PV.8) referred to the question of East Timor in their statements. Indonesia and Portugal exercised their rights of reply on the issue (A/52/PV.8).

59. In the general debate in the Third Committee, the representatives of Canada and Portugal referred to the question of East Timor. In the general debate of the Special Political and Decolonization Committee (Fourth Committee), representatives of Brazil, Ghana and Portugal made reference to the question of East Timor under the agenda item "Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples".

60. The Special Committee considered the question of East Timor at its 1474th to 1477th meetings on 16 and 17 June 1997. During those meetings, the Committee heard statements by the representatives of Indonesia (A/AC.109/SR.1474); Portugal as the administering Power (A/AC.109/SR.1474); and Sao Tome and Principe (on behalf also of Angola, Cape Verde, Guinea-Bissau and Mozambique) (A/AC.109/SR.1474); as well as 41 petitioners. The representative of Indonesia made a further statement on a point of order at the same meeting. At its 1477th meeting, on 17 June 1997, on the proposal of the Chairman, the Special Committee decided to continue consideration of the item at its next session subject to the directives which the General Assembly might give in that connection at its fifty-second session, it being understood that reservations expressed would be reflected in the record of the meeting.

61. The question of East Timor was considered by the United Nations Subcommittee for Prevention of Discrimination and Protection of Minorities at its 5th and 14th meetings, held on 13 and 20 August 1997, respectively. The documents pertaining to that consideration are listed below:

(a) Summary record of the 5th meeting, held at the Palais des Nations, Geneva, on 13 August 1997. Commission on Human Rights, Subcommission on Prevention of Discrimination and Protection of Minorities, forty-ninth session (E/CN.4/Sub.2/1997/SR.5);

(b) Summary record of the 14th meeting, held at the Palais des Nations, Geneva on 20 August 1997. Commission on Human Rights, Subcommission on Prevention of Discrimination and Protection of Minorities, forty-ninth session (E/CN.4/Sub.2/1997/SR.14).

62. The question of East Timor was subsequently considered by the United Nations Commission on Human

Rights. The documents pertaining to that consideration are listed below:

(a) Status of the International Covenants on Human Rights. Written statement submitted by human rights advocates (E/CN.4/1998/NGO/26);

(b) Situation in East Timor: report of the Secretary-General (E/CN.4/1998/58);

(c) Question of the human rights of all persons subjected to any form of detention or imprisonment, in particular: torture and other cruel, inhuman or degrading treatment or punishment. Report of the Special Rapporteur, Mr. Nigel Rodley, submitted pursuant to Commission on Human Rights resolution 1997/38 (E/CN.4/1998/38 and Add.1);

(d) Report of the Special Rapporteur on extrajudicial, summary or arbitrary executions (E/CN.4/1998/68/Add.1);

(e) Report of the Working Group on Enforced or Involuntary Disappearances (E/CN.4/1998/43).

63. On 24 April 1998, the Chairman of the Commission on Human Rights issued a statement on East Timor. The full text of the statement is reproduced below:

"The Commission on Human Rights discussed the human rights situation in East Timor.

"The Commission continues to follow with deep concern the reports on violations of human rights in East Timor.

"The Commission recalls the undertakings by the Government of Indonesia to promote human rights in East Timor and those contained in Chairman's statements on the matter at previous sessions. The Commission stresses the need for their implementation, including concrete steps on the early trial and release of East Timorese detained or convicted, and for those in custody to be treated humanely. The Commission reiterates the need for further clarification of the circumstances surrounding the Dili incident of 1991.

"The Commission welcomes the advanced progress towards concluding the Memorandum of Understanding between the Government of Indonesia and the Office of the High Commissioner for Human Rights on technical cooperation and agreement on the early assignment of a programme officer to implement the technical cooperation programme. In this regard, the Commission notes the understanding between the Government of Indonesia and the High Commissioner for Human Rights concerning the access of the programme officer to East Timor, within the framework of technical cooperation.

"The Commission welcomes the efforts of the Indonesian National Commission on Human Rights to promote and protect human rights and undertake fact-finding enquiries into human rights violations, including through its office in Dili. The Commission notes the commitment by the Government of Indonesia to continue to allow greater access to East Timor by the international media and international humanitarian organizations.

"The Commission welcomes the intention of the Government of Indonesia to continue to cooperate with the Commission on Human Rights and its mechanisms and, in particular, the Government's decision to invite the Working Group on Arbitrary Detention to visit East Timor in advance of the fifty-fifth session of the Commission.

"The Commission notes with interest the Government of Indonesia's decision to launch a National Plan of Action on human rights in 1998 and, in that context, the Government's intention to ratify the Convention against Torture.

"The Commission welcomes the dialogue under the auspices of the Secretary-General for achieving a just, comprehensive and internationally acceptable solution to the question of East Timor. In this context, the Commission stresses the need for constructive actions in order to promote a favourable atmosphere for further progress towards a solution. The Commission welcomes the report of the Secretary-General, the work of his special representative, in particular the establishment of regular dialogue at senior official level, and the continuing all-inclusive intra-East Timorese dialogue.

"The Commission requests the Secretary-General to keep it informed on the situation of human rights in East Timor and will consider the matter at its fifty-fifth session."

VI. Consideration by regional organizations

64. On 18 July 1997, the Foreign Ministers of the Community of Portuguese-Speaking Countries – Angola, Brazil, Cape Verde, Guinea-Bissau, Mozambique, Portugal

and Sao Tome and Principe – decided to give East Timor observer status in the organization from 1998. The decision came after a unanimous vote to change its rules thus allowing the admission of East Timor.[67]

65. During his visit to Indonesia in August 1997, British Foreign Secretary Robin Cook met with President Suharto and Foreign Affairs Minister Ali Alatas. At a meeting, Mr. Robin Cook suggested that the European Union Troika visit East Timor in 1998 better to inform the European Union of the political situation there. Mr. Ali Alatas had welcomed the suggestion stating that European Union ambassadors were free to travel to East Timor.[68]

66. The Seventh Summit of the Heads of State and Government of the Ibero-American Countries, held at Margarita Island, Venezuela in November 1997, adopted the Margarita Declaration. In the Declaration, the member States congratulated and supported the renewed efforts of the Secretary-General of the United Nations to give new impetus to dialogue aimed at finding a just, global and internationally-accepted solution to the issue of East Timor within the framework of norms and principles of international law.

Notes

[1] *Indonesian Observer*, 18 July 1997.

[2] *South China Morning Post*, 30 August 1997.

[3] *World News (Australia)*, 30 March 1998.

[4] *The Guardian*, 30 May 1997; *Agence France-Presse*, 1 and 6 June 1997.

[5] *The Herald Tribune*, 27 June 1997; *Agence France-Presse*, 5 July 1997.

[6] *Agence France-Presse*, 27 June 1997.

[7] *ANTARA*, 1 August 1997.

[8] *Reuters*, 4 September 1997.

[9] *International Herald Tribune*, 11 September 1997.

[10] *ANTARA*, 21 and 23 October 1997.

[11] *Agence France-Presse*, 5 January 1998.

[12] *The Indonesian Times*, 15 October 1997.

[13] *Reuters*, 12 November 1997; *Indonesian Times*, 13 November 1997; *Agence France-Presse*, 13 November; *The Jakarta Post*, 14 November 1997.

[14] *The Weekend Australian*, 15-16 November 1997.

[15] *News & Views Indonesia*, Review of November/December 1997.

[16] *Agence France-Presse*, 24 and 25 November 1997; *Reuters*, 24 November 1997.

[17] *Ibid.*, 5 January 1998.

[18] *The Associated Press*, *Comtex Scientific Corporation* and *Deutsche Presse-Agentur GmbH*, 6 March 1998.

[19] *Reuters*, 31 March 1998.

[20] *The Indonesian Observer*, 30 March 1998.

[21] *Agence France-Presse*, 3 April 1998; *The Associated Press*, 6 April 1998.

[22] *Berita Antara*, 27 March 1998.

[23] RDP Antena 1 radio, Lisbon, 1200 gmt, 20 April 1998.

[24] *The Associated Press*, 17 April 1998.

[25] *Berita Antara*, 29 April 1998.

[26] *The Associated Press*, 23 April 1998.

[27] *Reuters*, 24 April 1998.

[28] Ibid., 12 October 1997; *The Indonesian Times*, 22 October 1997.

[29] *Agence France-Presse*, 31 August 1997.

[30] Ibid., 15 January 1998.

[31] *The Associated Press*, 28 January 1998.

[32] *Reuters*, 10 February 1998.

[33] *The Associated Press*, 22 April 1998.

[34] United States Department of State, Indonesia Report on Human Rights Practices for 1997, Washington, D.C., 30 January 1998.

[35] *Human Rights Watch*, Indonesia/East Timor: Deteriorating Human Rights in East Timor, Vol. 9, No. 9 (c), September 1997.

[36] *Amnesty International*. East Timor: Broken Promises – Implementation of the Recommendations of the UN Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions Following a Visit to Indonesia and East Timor in 1994. ASA 21/24/98, March 1998.

[37] Letter dated 6 November 1997 addressed to the Honourable Robert E. Rubin, Secretary of the Department of The Treasury, United States, from Representatives Barney Frank, Tony P. Hall, Patrick J. Kennedy, Nancy Pelosi and Joseph P. Kennedy.

[38] Press Release, Office of the Congressman Patrick J. Kennedy, First District, Rhode Island, 10 June 1997.

[39] *ANTARA*, 30 July 1997.

[40] Ibid., 15 September 1997.

[41] *The Indonesian Times*, 15 October 1997.

[42] *The Indonesian Observer*, 18 July 1997.

[43] Ibid., 5 February 1998.

[44] Ibid., 18 July 1997.

[45] *Agence France-Presse*, 5 July 1997.

[46] *Berita Antara*, 2 April 1998.

[47] *The Indonesian Observer*, 18 July 1997.

[48] Ibid.

[49] Ibid.

[50] Ibid.

[51] *The Jakarta Post*, 8 July 1997.

[52] *The Indonesian Observer*, 18 July 1997.

[53] *The Jakarta Post*, 31 October 1997; *The Age: Melbourne Online*, 7 November 1997.

[54] *ANTARA*, 7 July 1997.

[55] *Berita Antara*, 24 February 1998.

[56] *The Indonesian Times*, 4 November 1997.

[57] See General Assembly resolutions 1699 (XVI), 1807 (XVII), 1913 (XVIII), 2107 (XX), 2184 (XXI), 2395 (XXIII), 2507 (XXIV), 2707 (XXV), 2795 (XXVI), 2918 (XXVII), 3113 (XXVIII), 3294 (XXIX), 3485 (XXX) and 31/53 , relating to the question of Territories under Portuguese administration, including East Timor; see also General Assembly resolutions 32/34, 33/39, 34/40, 35/27, 36/50 and 37/30 on the question of East Timor.

[58] General Assembly decisions 38/402, 39/402, 40/402, 43/402, 46/402, 49/402, 50/402, 51/402; see also A/41/PV.3, A/44/PV.3, A/45/PV.3, A/47/PV.3 and A/51/PV.3.

[59] See A/35/233, A/37/160, A/37/125, A/39/136, A/40/159, A/41/190, A/42/171, A/43/219, A/44/262, A/45/172, A/46/131, A/47/189, A/48/130, A/49/184, A/50/214 and A/51/361. Owing to lack of information from the administering Power, the information contained in the present working paper has been derived from other sources.

[60] A/38/352, A/39/361, A/40/622, A/41/602, A/42/539, A/43/588, A/44/529, A/45/507, A/46/456, A/48/418, A/49/391, A/50/436 and A/51/361.

[61] SG/SM/6248, 6 June 1997.

[62] Press release SG/2035 dated 23 June 1997.

[63] *Agence France-Presse*, 26 November 1997.

[64] Press release DH/2505 dated 24 October 1997.

[65] *Berita Antara*, 17 December 1997.

[66] *ANTARA*, 20 December 1997; *The Indonesian Observer*, 20 December 1997.

[67] *Agência Lusa*, 22 July 1997.

[68] *South China Morning Post*, 30 August 1997.

Annex

Krumbach Declaration of 1997

On the basis of the terms of reference set out in paragraph 3 of the communiqué issued after the fifth Ministerial round at Geneva in 1995, the third All-Inclusive Intra-East Timorese Dialogue (AIETD) was held at Krumbach, Austria from 20 to 23 October 1997.

Referring to paragraphs 4 and 5 of the Burg Schlaining Declaration of 22 March 1996,

Bearing in mind the recommendations expressed in the message of Ambassador Jamsheed Marker, Personal Representative of the Secretary-General of the United Nations for the Question of Timor Lorosae,

Expressing their gratitude to the Secretary-General of the United Nations, his Special Representative for Timor Lorosae and their assistants for having facilitated AIETD III at the Castle of Krumbach, Austria,

Expressing likewise their gratitude and appreciation to the Austrian Government for its hospitality in welcoming the participants of AIETD for the third time,

Saluting the Catholic Church of Timor Lorosae, represented in the person of His Most Reverend Excellency Dom Carlos Filipe Ximenes Belo, SDB, Apostolic Administrator of the Diocese of Dili, holder of the Nobel Peace Prize,

Saluting the Timorese Christian Church in the person of the Reverend Arlindo Marçal,

Thanking the Governments of Portugal, Indonesia and other countries which, through their contributions, made the holding of this meeting possible,

Noting with satisfaction the climate of frankness and openness which made possible the free discussion and analysis of all the questions presented,

The participants,

1. Reaffirm their confidence in and total support for the current Tripartite Dialogue between the Governments of Portugal and Indonesia under the auspices of the Secretary-General of the United Nations aimed at finding a just, comprehensive and internationally acceptable solution for the Question of Timor Lorosae;

2. Express their interest in and availability for continuing the AIETD should they be requested by the Secretary-General of the United Nations, within the framework in which this was carried out, in order to continue the debate on concrete and practical ideas leading to the creation of confidence-building measures, with a view to contributing to a solution for the Question of Timor Lorosae;

3. Approve the name, objectives, organic structure and sources of financing of the Centre for Culture and Development of Timor Lorosae [*Centro de Cultura e Desenvolvimento Timor Lorosae (CCDTL)*] in accordance with the annexed document;

4. Express their deep concern at the escalation of violence in the territory and undertake to do everything in their power to contribute to the achievement of a lasting peace;

5. Reaffirm the urgent need to implement suitable measures for the promotion and protection of human rights in general and, in particular, for the protection and promotion of women, children and young people;

6. Pursuing the efforts aimed at strengthening the dialogue among Timorese, the participants of the AIETD residing in the diaspora shall invite their brothers and sisters residing inside to visit the Timorese communities in Australia, Portugal and Macau on a date to be agreed upon. The details shall be determined in due course by the parties concerned, possibly by the time of Expo 1998;

7. Similarly, the participants residing inside *shall* invite their brothers and sisters residing in the diaspora to visit the Territory of Timor Lorosae on a date to be agreed upon, the details being determined in due course by the parties concerned.

Krumbach, Austria, 23 October 1997

Signatures.

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General Assembly

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Special Committee on the situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

East Timor

Working paper prepared by the Secretariat

Addendum

Political developments

1. The change in leadership in Indonesia on 21 May 1998, when Mr. B. J. Habibie took over the reins of the Government from President Suharto, was followed by renewed calls for an early solution to the issue of East Timor. Immediately after Mr. Suharto's resignation, the National Council of the Timorese Resistance (CNRT) called for the immediate and unconditional release of Xanana Gusmão and for the organization's "effective participation" in ongoing United Nations-sponsored talks between Indonesia and Portugal.[1] Student demonstrations were organized in Dili and Jakarta. On 10 June, more than 3,000 students gathered on the grounds of the University of East Timor calling for a full and free referendum.[2] On 12 June, more than 1,000 East Timorese protested at the Indonesian Foreign Ministry Office in Jakarta, calling for a referendum, the release of East Timorese political prisoners and the implementation of United Nations recommendations on human rights in East Timor. It was reported that police broke up the rally, herding people onto buses that were driven away under police escort. Three youths were reportedly injured, while three female students sought medical treatment at a Jakarta hospital. Military officials have confirmed that many were detained for questioning at a military camp in Cibubur outside of Jakarta.[3]

2. On 27 May 1998, Mr. Christopher Smith, Chairman of the United States House of Representatives Subcommittee on Human Rights met with Xanana Gusmão in the Jakarta prison. Mr. Smith said he had given President Habibie a letter signed by 15 members of Congress calling for political prisoners to be freed and a dialogue on the political status of East Timor. In Canberra, newspaper reports quoted Australian Foreign Minister Alexander Downer as saying that Gusmão's release would contribute toward resolution of the East Timor issues and that the East Timorese should be given "a much greater say in the management of their own affairs".[4] On 20 June 1998, a spokesperson for the Portuguese Foreign Ministry stated "it is indispensable that representatives of the people of the territory take part in negotiations with the Untied Nations and that its population takes part in an internationally supervised, democratic referendum".[5]

3. On 16 June 1998, security forces shot two East Timorese youths in Manatuto, about 63 miles east of Dili, as the two youths were loading wood into a truck. Herman das Dores Soares, age 21, died en route to the hospital. The following day, hundreds of students and youths seized the provincial assembly building in Dili protesting the killing and demanding that the Commission on Human Rights investigate the case. In Jakarta, some 400 East Timorese demonstrated at the Indonesian Justice Ministry. The

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military has publicly apologized for the shooting. *Agence France-Presse* quoted Col. Mudjino, deputy chief of the East Timor military command, as saying "I have ordered a thorough investigation. We have apologized to the family, to the bishop and the public in general". He added that the soldier was being questioned by military police and that action would be taken against him according to the law.[6]

4. At the European Union summit held at Cardiff, Wales, on 15 and 16 June 1998, the Cardiff European Council issued presidency conclusions which included the issue of East Timor. The document states:

> "The European Council discussed the implications of the present situation in East Timor. It recalls the importance of a just, global and internationally acceptable solution and reaffirms its support of the efforts being made under the auspices of the United Nations Secretary-General to that end. It further calls on Indonesia to respect human rights and fundamental freedoms and calls for the release of all political prisoners, including those from East Timor, and agreed to continue to press for the early release of Xanana Gusmão. The European Council underlines the importance of continuing assistance to East Timor in accordance with the European Union's common position."

5. On 12 June 1998, 12 political prisoners were pardoned by President Habibie.[7] A total of 15 East Timorese political prisoners have been released since Mr. Habibie took over the presidency in May.[8] On 20 June, some 50 members of the East Timorese Students and Youth Association (Impettu) were allowed to visit jailed leader Xanana Gusmão on the occasion of his birthday.[9]

6. On 10 June 1998 at the United Nations, the Spokesman of the Secretary-General said that the Secretary-General was encouraged by the beginning of a more determined dialogue towards the resolution of the question of East Timor. He also welcomed the news that President Habibie had signed a decree for the release of 15 political prisoners and hoped that it would lead to the release of all other East Timorese political prisoners.[10] On 18 June, the Spokesman of the Secretary-General stated that Mr. Alatas, Minister for Foreign Affairs of Indonesia, had met with the Secretary-General at the request of President Habibie. The Spokesman said Mr. Alatas had brought some important proposals on East Timor, which the Secretary-General had considered as "marking an important development in the process".[11]

7. The Indonesia news agency *Antara* quoted Mr. Alatas as stating that Indonesia was ready to grant "restricted partial autonomy" to East Timor. Excluded from such autonomy would be foreign affairs, finances, defence and security. Reports also stated that President Habibie had rejected a referendum request that had been made by an independence movement. Government officials in Jakarta argued that such a referendum would only sharpen the conflict between both sides of the East Timor independence issue.[12]

8. The visit of the European Union Troika to East Timor was marred by violence on 29 June, after a man was killed in a shooting incident. Reports indicate that the incident occurred when Indonesian intelligence agents following the envoys' convoy fired at a crowd of pro-independence demonstrators who had attacked their car, pelting it with rocks. At least five others were reportedly injured. Another death occurred on 28 June. Reports stated that Indonesian troops broke up a clash between opposing demonstrators trying to get to Dili to make their views known to the European Union ambassadors. The ambassadors from the United Kingdom of Great Britain and Northern Ireland, Austria and the Netherlands decided to cut short their visit and returned to Jakarta. A statement issued by the United Kingdom said "we very much regret the death of Orlando Marcelino da Costa" and "we have asked the authorities to carry out a full investigation into the incident to ensure that those responsible are made accountable".[13]

Notes

[1] *Agence France-Presse*, 22 May 1998.

[2] *Associated Press*, 10 June 1998.

[3] *Associated Press*, 12 June 1998; *M2 Communications*, 16 June 1998.

[4] *International Herald Tribune*, 28 May 1998.

[5] *Agence France-Presse*, 20 June 1998.

[6] *Deutche Presse-Agentur GmbH*, 17 June 1998; *Reuters*, 17 June 1998; *Agence France-Presse*, 17 June 1998; *The Washington Post*, 18 June 1998.

[7] *Associated Press*, 12 June 1998.

[8] *Agence France-Presse*, 17 June 1998.

[9] *Agence France-Presse*, 20 June 1998.

[10] Daily press briefing of the Office of Spokesman for Secretary-General, 10 June 1998.

[11] Daily press briefing of the Office of Spokesman for Secretary-General, 18 June 1998.

[12] *Deutche Presse-Agentur GmbH*, 24 June 1998.

[13] *Agence France-Presse*, 30 June 1998.